

MINUTES
BOARD OF TRUSTEES OF THE
PUBLIC EMPLOYEES' RETIREMENT FUND
143 West Market Street, Suite 500
Indianapolis, IN 46204
September 28, 2002

Trustees Present

Jonathan Birge, Chair
Richard Doermer, Vice Chair
Garland E. Ferrell
Connie R. Thurman
Nancy Turner

Others Present

Mr. Van Barteau, Fund Member
Forrest Bowman, Jr., Attorney-at-Law
Mary Beth Braitman, Ice Miller
Jon Laramore, Governor's Office
Jim Sperlik, Fund Member
E. William Butler, Executive Director
Ed Gohmann, PERF Legal Counsel
Patrick Lane, PERF Communications Director
Ken Stoughton, PERF HR Director
Michele Solida, Indianapolis Star
Lynda Duncan, Minute Writer

1. REGULAR SESSION

A quorum being present, the meeting was called to order. In his opening remarks, the Chairman thanked members for coming in on a Saturday morning.

- a. Introduction of New Board Members. The Board members introduced themselves. Ms. Connie Thurman, and Mr. Garland Ferrell were welcomed to the Board of Trustees.
- b. Chairman Birge noted that the meeting had been called as a special meeting. In response to issues raised, Ice Miller, PERF's outside counsel, was actively working on recommendations to the Board to be addressed at their next regular meeting (October 11, 2002). These recommendations would include the following:
 - Proposals for the adoption of a formal hiring policy including guidelines regarding past employment checks;
 - A requirement that prospective employees for high level positions and others are subjected to comprehensive background checks;
 - A requirement that all job applicants must fill in application forms, and;

- The adoption of a formal policy on background checks for current employees.
- Mr. Birge noted that PERF will work cooperatively with the State Personnel Department to put such policies into place.

Mr. Birge noted that there would be considerable work involved in these matters during the course of the next several weeks. He stressed the importance of establishing these procedures. There were a number of different issues that should be considered relating to PERF and to state government in general and a recommendation on each of these matters will be provided at the next meeting.

He would coordinate committee assignments with each of the Trustees. There are three committees: Investment Committee, Benefits Committee (chaired by Ms. Turner) and an Audit and Budget Committee (chaired by Mr. Doermer).

- c. The Board adjourned to Executive Session to discuss personnel matters. Mr. Birge advised that there was a possibility that after the Executive Session that there would be another Public Session. Mr. Barteau, a Fund Member, questioned whether it was appropriate to hold an executive session. Mr. Birge noted that the notice of the meeting made it clear that there would be an Executive Session to discuss personnel matters.

2. EXECUTIVE SESSION.

Trustees Present

Jonathan Birge, Chair
 Richard Doermer, Vice Chair
 Garland Ferrell
 Connie Thurman
 Nancy Turner

Others Present

Forrest Bowman, Jr., Attorney-at-Law
 Mary Beth Braitman, Ice Miller
 Jon Laramore, Governor's Office

The Board met in Executive Session to discuss personnel issues under IC 5-14-1.5-6.1(b)(9).

3. **REGULAR SESSION (reconvened).**

Trustees Present

Jonathan Birge, Chair
Richard Doermer, Vice Chair
Garland E. Ferrell
Connie R. Thurman
Nancy Turner

Others Present

Forrest Bowman, Jr., Attorney-at-Law
Mary Beth Braitman, Ice Miller
Jon Laramore, Governor's Office
Jim Sperlik, Fund Member
Ed Gohmann, PERF Legal Counsel
Patrick Lane, PERF Communications Director
Ken Stoughton, PERF HR Director
Michele Solida, Indianapolis Star
Lynda Duncan, Minute Writer

- a. The Committee reconvened in regular session. Mr. Birge announced that Mr. E. William Butler was resigning with immediate effect from the position of Executive Director of PERF.

MOTION duly made and carried that the Board accepts the resignation of Mr. E. William Butler.

Proposed by: Garland Ferrell
Seconded by: Connie Thurman
Votes: 5 for, 0 against, 0 abstentions

MOTION duly made and carried to delegate Jonathan Birge and Richard Doermer to work with the Governor's Office to obtain an acting Executive Director as soon as possible

Proposed by: Nancy Turner
Seconded by: Garland Ferrell
Votes: 5 for, 0 against, 0 abstentions

Mr. Birge noted that the PERF statute required that the Governor approve, along with the PERF Board, the appointment of any Executive Director, and the Board would be working with the Governor's Office in that regard. It was hoped that someone would be in place within a matter of a few days.

Mr. Sperlik asked if a search committee would be involved in the process, and if this would involve national advertising of some kind. Mr. Birge advised that this matter would be considered. The main concern was to get somebody in place and then to address the issue of how to proceed from there. Mr. Sperlik asked

why Mr. Butler had been dismissed. Mr. Birge advised that he was not dismissed but had resigned. Mr. Birge explained that he could not comment on an employee's resignation.

Mr. Birge asked if there were any further questions. No questions were raised.

- b. Adjournment. There being no further business, the meeting was adjourned.